

RFP# 4051213-05
Natural Gas & Fuel Oil

**Department of General Services/
Division of Purchase and Supply
1111 E. Broad St, Bid Tab Room
Richmond, Virginia 23219**

Product Delivery

- **JRS will provide the State of Virginia, its Agencies, Departments, Colleges and Universities services that will meet the Commonwealth's desire to take advantage of aggregated needs of state agencies in providing #2, #4, #5 and #6, BioDiesel.**
- **Services will include**
 - One source billing
 - Small tank deliveries
 - Large tank deliveries
 - Bar coded tanks to insure proper capture of data
 - Web based site for historical data on each agencies tanks
 - Pricing options
 - Fixed price
 - Cap and Slide price
 - Variable price

Product Delivery

TRANSPORT LOADS

- James River Solutions can provide Transport Loads to any facility in the Commonwealth for #2, #4, #5, #6 and Kerosene

TANKWAGON LOADS

- James River Solutions can provide Tankwagon Loads to any facility in the Commonwealth of #2, #4, #5 and Kerosene
- We reserve the right to use partners in areas where needed
- Billing will be through James River Solutions, which will give the State one source for payment and any issues that may arise

Delivery Technology

- **James River Solutions using our Symbology Bar-coding technology will code each tank with its own unique barcode**
- **The barcode is read by a hand held fuel scanner that identifies the tank and type of fuel required, thus preventing fueling into wrong tank.**
 - **This technology also provides accurate reporting on each tank and captures historical data for later use.**
- **We will provide historical data on a quarterly basis to DGS/DPS that meet DEQ Requirements**
- **Reports can be automatically downloaded to the state agencies back office system**

Delivery Technology

- **JRS working with the State can analyze historical data provided by the Symboloy system for delivery efficiencies**
- **This data will help determine if proper tank sizes are in place**
- **We can determine economic delivery schedules and best transportation modes**

Delivery Reporting Recap

- Paperless system from the fueling process through the invoicing process
- Itemized ticket will show how many delivered gallons per each barcode or tank
- Barcode technology to identify each generator or tank which prevents the driver from being able to pump the wrong product into a truck or tank
- Time out feature ensures that the customer is getting the product that is on their ticket and on their bill!
- Pump accuracy should be guaranteed as Symbology is a redundant system that must agree to the truck's totalizer
- Fueling data will be automatically downloaded from the handheld scanners into our invoicing and accounting systems and available for viewing on line or via reports
- Fueling history is maintained by day and time for as long as the customer wants; at the minimum for three years plus current year
- Consolidated reporting for all agencies. You can sort per location, tank, state agency or body and per date.

Pricing

- **Fixed Price Option**

- Fixed pricing contracts can be purchased using the futures market, pricing will be based on NYMEX
- Pricing can be fixed on a monthly basis
- Pricing will not increase over the fixed price enabling the Commonwealth to better forecast budgets
- Highly recommend fixed price options for 2008 due to volatility in 07 to help with budgetary requirements.
- Crude Hit ALL TIME HIGH \$97.62 11/8/2007
- Crude Again reached an all time high on 11/07 of 98.00.
- As of 11/08 Crude Closed at 95.45.

Pricing

- **Cap and Slide Pricing**

- **James River Solutions can provide the Commonwealth with a fixed price cap that represents the highest price that the Commonwealth will pay during the locked in period**
- **When the market price falls below a preset level, the price to the Commonwealth will fall**
- **This option is good in a volatile market and allows the Commonwealth during the budget process to insure that fuel purchases will not exceed budget forecasts**

Pricing

- **Standard Variable Pricing**
 - James River Solutions can provide the Commonwealth pricing that is based on the Oil Price Information Service (OPIS) wholesale rack pricing or a similar pricing structure
 - Preset margin/freight will be added to the OPIS cost to determine daily delivered price
 - Pricing will vary by delivery, with the only variable being wholesale rack cost

Fuel Projections ?

Currently

Crude Oil hit all time record high of \$97.62. Over the past week distillates have increased in price by .12 cents. Over the past two weeks we seen an increase of almost .20 cents.

11/8/2007

Crude Oil : \$95.45

Terms

1% EFT 5-Days

Support Group

Commonwealth of Virginia Support Team

- Darlene Harris – Mgr. of Customer Service – ext. 318
- Courtney Munch – Customer Service – ext. - 311
- Betsy Bennett – Customer Service – ext. - 330

- Tracy Little – Executive Support – ext 312
- Kitty Stallings – ext. 321
- Kim Pierce – Norfolk/Chesapeake Contact

- Emergency Number: 804-393-1150

Support Numbers

- **1-800-825-5599**
- **1-804-358-9000**

For each of these numbers dial the extension you need or follow the prompts and leave a message

24/7 Emergency number

1-804-393-1150

Step To Date:

- Tanks have been identified per agency
- Verified tank sizes, locations, special instructions
- Tanks have been marked for delivery with their own unique barcode
- Determine delivery schedule for each tank
- Determine best delivery method
- Delivering Product via variable pricing and fixed pricing successfully in 2006, 2007. Many Success Stories
- Website accessible for you to review your deliveries.
www.jrpetro

Opportunities

- **JRS has the ability to add alternative fuels such as Bio-Diesel**
- **Delivering Bio Diesel successfully throughout the Commonwealth.**
- **We will constantly look to improve our services and technology to support your needs**
- **Remote tank monitors operated by cell phone technology that monitors tank levels to insure critical delivery of fuel**
- **Underground veeder root monitors that allow JRS to monitor tank levels**
- **Consult and implement lower cost petroleum solutions where applicable**

Opportunities

- **Conducted feasibility study at several COV agencies and identified efficiencies and helped with DEQ related issues.**
- **Inform State on fuel oil market trends, that can help plan fuel purchases in order to help plan and forecast fuel purchases**
- **We will constantly look to improve our services and technology to support your needs**

Fixed Price Seminars

- Fuel Oil Futures Market with Morgan Stanley and James River Solutions
- Set up annually. Available for any COV team upon request
- Opis Seminar – 2008 Outlook